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E-01345A-10-0164

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ARIZONA CORPORATION COMMIS

UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 89184

Date: 9/9/2010

Complaint Description: 08Z Rate Case Items - Other
 N/A Not Applicable

Arizona Corporation Commission

DOCKETED

SEP 13 2010

Complaint By: First: Last:
 Lee Winsor

Account Name: Arizona Discount Solar, LLC

Home:

Street:

Work:

City: Casa Grande

CBR:

State: AZ Zip: 85130

is:

Utility Company: Arizona Public Service Company

Division: Electric

Contact Name: For assignment

Contact Phone:

Nature of Complaint:

***** E-01345A-10-0262 AND E-01345A-10-0166 *****

Received the following -

TO: Arizona Corporation Commission
FROM: Lee Winsor, Arizona Discount Solar, LLC
DATE: September 6, 2010
DOCKET: E-01345A-10-0262, E-01345A-10-0166

REGARDING: Communication Guidelines of APS Solar Incentive Programs

Dear Madam Chairman and Commissioners:

I'm disabled and it's very difficult for me to attend ACC meetings in person, so I hope you'll accept this letter in place of my attendance at this meeting.

I've personally been involved in solar and winds systems for over 35 years now and have never experienced such a blatant disregard for customers and solar company personnel as the utility companies in Arizona are currently providing. It's difficult to understand how a company can be allowed to sell a product (rebates for solar electric systems) and not be required to state when, and at what price, that product will be delivered. If they were any other type of business, by law, they would have to either provide the product in 30 days or provide an explicit date on which it would be delivered. Why are the utilities any different?

Pinal County, where our business is located, is hardly a hot bed of solar activity in the state. Solar electric sales

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are few and far between and it takes a great deal of marketing effort and dollars to close sales. Once sold, customers want their systems NOW! Once they decide to purchase, it's reasonable to wait 60-90 days for their system to be approved and installed. Under the current system, they have no way of knowing when it will be completed. Customers call me every week asking when their system will come off the waiting list for installation and I have no way of providing them any information at all. This lack of communication cannot be allowed to continue. While many of my brethren are pushing for on-line tools to provide instant notification of data such as wait list placement, current incentive prices, etc., I can well understand that doing so could be costly to the utilities in both time and personnel. APS currently provides installers a biweekly status report - adding the additional data to that should not prove costly to implement and will provide at least a starting point for improved communication.

While APS and the other major utilities are the most visible miscreants, they are not alone. One of my residential customers is serviced by ED3 in the City of Maricopa. On May 1, 2010, we submitted an application and were told the customer was 16th on the list. On September 1, I inquired as to their current status and was told they had moved up to 15th on the list. At the rate the list is currently moving, it will be 5 years before the system is installed. That's unconscionable and simply should not be allowed to continue. All Arizona utility companies are collecting residential customer's money for solar and other renewable technologies and aren't providing the rebates that customers are expecting on a timely basis. It's time they were held accountable for where the money is actually being spent. While it may be difficult for the ACC to assume the responsibility for reporting where the money goes, perhaps a disinterested third party in the state government could take on the task. (Department of Energy? Department of Commerce?)

Arizona Discount Solar has lost approximately \$650,000 to \$1,000,000 in projected sales for 2010 due to the utilities running out of or delaying rebate funds. Had we not chosen a very conservative approach to business growth, we would probably no longer be in existence at all.

The real cost though is in lost jobs for solar technicians. Pinal County has an unemployment rate that is amongst the highest in the country. Arizona Discount Solar is one of the smallest solar electric firms in Arizona. We only install 30-60 systems each year, but take great pride in doing it to our own high standards. Over the past two years, I personally trained four solar technicians to my own standards and had developed a knowledgeable team from four former construction workers who had long exhausted their unemployment benefits and were living below the poverty line. As a result of the volatility in the utility rebate programs, none of them are still working full time. Two of them have now left the state to pursue solar work elsewhere, resulting in the loss of two highly trained people. The other two are now registered with a temporary agency and I call them in part time when the utilities release projects from the waiting list.

Long range, the employment outlook for the state in renewable energy looks even bleaker. If the utilities are allowed to continue to reduce residential rebates, more will leave the state, and fewer high paying jobs will be available. The Arizona Commerce Department currently has \$6 million in federal stimulus funds to spend on the education of solar and other renewable technology workers. As a member of the SESP business group advising the Commerce Department, I often wonder if the funds will ever get spent since there are so few new jobs actually being created. Solar was one of the few growth areas for new jobs in Arizona, now, all of the companies I've spoken with have laid off many of their workers and see little hope of rehiring soon.

The proposed Utility Solar Incentive Guidelines, or a reasonable subset of them, will provide at least a starting point towards opening a realistic channel of communications between the utilities, the business community, and most importantly, the residential ratepayers who are the ones paying for all of this.

We remain optimistic that Arizona will follow in the footsteps of California, which ran out of rebate money back in 1999, but restructured the utility rebate programs to allow California to become the national leader in installed solar PV systems. Arizona is one of the best sites in the country for solar electric generation. Broad growth of residential rooftop solar PV installations will provide long term cost savings for all Arizona residents while also helping to conserve our limited water resources and provide a less polluted world for future generations.

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Sincerely,

Lee Winsor
Arizona Discount Solar, LLC
www.arizonadiscountsolar.com

"Be Gentle with the Earth. We did not inherit it from our ancestors; we borrowed it from our children."

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

End of Comments

Date Completed: 9/9/2010

Opinion No. 2010 - 89184
